

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

HB 2208 – SB 2399

April 8, 2014

SUMMARY OF ORIGINAL BILL: Authorizes a trustee to rescind a foreclosure sale on a deed of trust within five days of the sale. Limits damages for rescission to (1) return of the purchase price, (2) lost interest paid by the purchaser, and (3) any related recording fees.

FISCAL IMPACT OF ORIGINAL BILL:

NOT SIGNIFICANT

SUMMARY OF AMENDMENT (015844): Deletes all language after the enacting clause. Changes the commission that a court clerk may charge, in addition to fees required by statute, for selling real or personal property under decree of court and for receiving, collecting, and paying out the proceeds of such a sale. Allows a court clerk to charge a three percent commission rather than a 10 percent commission.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Other Fiscal Impact – The proposed legislation will result in a decrease in local revenue. However, the extent of the decrease cannot be determined due to unknown variables.

Assumptions for the bill as amended:

- Under Tenn. Code Ann. § 8-21-401(i)(7), a court clerk may charge up to \$600 (up to 10% on property up to \$6,000) and “an additional amount to be fixed within such limits, in the discretion of the court”.
- Under the bill as amended, the clerk will be able to charge a commission of \$180 (up to three percent on property up to \$6,000).
- The proposed legislation will result in a decrease in local revenue. However, the extent of the decrease cannot be determined due to unknown variables.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "Lucian D. Geise". The signature is fluid and cursive, with the first name "Lucian" written in a larger, more prominent script than the last name "Geise".

Lucian D. Geise, Executive Director

/trm